

PRECLEARANCE AUTHORIZATION ACT OF 2014

JULY 3, 2014.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. McCaul, from the Committee on Homeland Security,
submitted the following

R E P O R T

[To accompany H.R. 3488]

[Including cost estimate of the Congressional Budget Office]

The Committee on Homeland Security, to whom was referred the bill (H.R. 3488) to establish the conditions under which the Secretary of Homeland Security may establish preclearance facilities, conduct preclearance operations, and provide customs services outside the United States, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Preclearance Authorization Act of 2014”.

SEC. 2. DEFINITION.

In this Act, the term “appropriate congressional committees” means the Committee on Homeland Security and the Committee on Ways and Means of the House of Representatives and the Committee on Homeland Security and Governmental Affairs and the Committee on Finance of the Senate.

SEC. 3. ESTABLISHMENT OF PRECLEARANCE OPERATIONS.

Pursuant to section 1629 of title 19, United States Code, and subject to section 5, the Secretary of Homeland Security may establish U.S. Customs and Border Protection preclearance operations in a foreign country to—

- (1) prevent terrorists, instruments of terrorism, and other security threats from entering the United States;
- (2) prevent inadmissible persons from entering the United States;
- (3) ensure merchandise destined for the United States complies with applicable laws;
- (4) ensure the prompt processing of persons eligible to travel to the United States; and
- (5) accomplish such other objectives as the Secretary determines necessary to protect the United States.

SEC. 4. NOTIFICATION AND CERTIFICATION TO CONGRESS.

(a) **NOTIFICATION.**—Not later than 180 days before entering into an agreement with the government of a foreign country to establish U.S. Customs and Border Protection preclearance operations in such foreign country, the Secretary of Homeland Security shall provide to the appropriate congressional committees the following:

- (1) A copy of the proposed agreement to establish such preclearance operations, including an identification of the foreign country with which U.S. Customs and Border Protection intends to enter into a preclearance agreement, and the location at which such preclearance operations will be conducted.
- (2) An estimate of the date on which U.S. Customs and Border Protection intends to establish preclearance operations under such agreement.
- (3) The anticipated funding sources for preclearance operations under such agreement, and other funding sources considered.
- (4) An assessment of the impact such preclearance operations will have on legitimate trade and travel, including potential impacts on passengers traveling to the United States.
- (5) A homeland security threat assessment for the country in which such preclearance operations are to be established.
- (6) An assessment of the impacts such preclearance operations will have on U.S. Customs and Border Protection domestic port of entry staffing.
- (7) Information on potential economic, competitive, and job impacts on United States air carriers associated with establishing such preclearance operations.
- (8) Information on the anticipated homeland security benefits associated with establishing such preclearance operations.
- (9) Information on potential security vulnerabilities associated with commencing such preclearance operations, and mitigation plans to address such potential security vulnerabilities.
- (10) A U.S. Customs and Border Protection staffing model for such preclearance operations, and plans for how such positions would be filled.
- (11) Information on the anticipated costs over the next five fiscal years associated with commencing such preclearance operations.
- (12) A copy of the agreement referred to in subsection (a) of section 5.
- (13) Other factors that the Secretary of Homeland Security determines to be necessary for Congress to comprehensively assess the appropriateness of commencing such preclearance operations.

(b) **CERTIFICATIONS RELATING TO PRECLEARANCE OPERATIONS ESTABLISHED AT AIRPORTS.**—In the case of an airport, in addition to the notification requirements under subsection (a), not later than 90 days before entering into an agreement with the government of a foreign country to establish U.S. Customs and Border Protection preclearance operations at an airport in such foreign country, the Secretary of Homeland Security shall provide to the appropriate congressional committees the following:

- (1) A certification that preclearance operations under such preclearance agreement would provide homeland security benefits to the United States.
 - (2) A certification that preclearance operations within such foreign country will be established under such agreement only if—
 - (A) at least one United States passenger carrier operates at such airport; and
 - (B) the access of all United States passenger carriers to such preclearance operations is the same as the access of any non-United States passenger carrier.
 - (3) A certification that the Secretary of Homeland Security has considered alternative options to preclearance operations and has determined that such options are not the most effective means of achieving the objectives specified in section 3.
 - (4) A certification that the establishment of preclearance operations in such foreign country will not significantly increase customs processing times at United States airports.
 - (5) An explanation of other objectives that will be served by the establishment of preclearance operations in such foreign country.
 - (6) A certification that representatives from U.S. Customs and Border Protection consulted publicly with interested parties, including providers of commercial air service in the United States, employees of such providers, security experts, and such other parties as the Secretary determines to be appropriate, before entering into such an agreement with such foreign government.
 - (7) A report detailing the basis for the certifications referred to in paragraphs (1) through (6).
- (c) **MODIFICATION OF EXISTING AGREEMENTS.**—Not later than 30 days before substantially modifying a preclearance agreement with the government of a foreign

country in effect as of the date of the enactment of this Act, the Secretary of Homeland Security shall provide to the appropriate congressional committees a copy of the proposed agreement, as modified, and the justification for such modification.

(d) REMEDIATION PLAN.—

(1) IN GENERAL.—The Commissioner of U.S. Customs and Border Protection shall monthly measure the average customs processing time to enter the 25 United States airports that support the highest volume of international travel (as determined by available Federal passenger data) and provide to the appropriate congressional committees such measurements.

(2) ASSESSMENT.—Based on the measurements described in paragraph (1), the Commissioner of U.S. Customs and Border Protection shall quarterly assess whether the average customs processing time referred to in such paragraph significantly exceeds the average customs processing time to enter the United States through a preclearance operation.

(3) SUBMISSION.—Based on the assessment conducted under paragraph (2), if the Commissioner of U.S. Customs and Border Protection determines that the average customs processing time referred to in paragraph (1) significantly exceeds the average customs processing time to enter the United States through a preclearance operation described in paragraph (2), the Commissioner shall, not later than 60 days after making such determination, provide to the appropriate congressional committees a remediation plan for reducing such average customs processing time referred to in paragraph (1).

(4) IMPLEMENTATION.—Not later than 30 days after submitting the remediation plan referred to in paragraph (3), the Commissioner of United States Customs and Border Protection shall implement those portions of such plan that can be carried out using existing resources, excluding the transfer of personnel.

(5) SUSPENSION.—If the Commissioner of U.S. Customs and Border Protection does not submit the remediation plan referred to in paragraph (3) within 60 days in accordance with such paragraph, the Commissioner may not, until such time as such remediation plan is submitted, conduct any negotiations relating to preclearance operations at an airport in any country or commence any such preclearance operations.

(6) STAKEHOLDER RECOMMENDATIONS.—The remediation plan described in paragraph (3) shall consider recommendations solicited from relevant stakeholders.

(e) CLASSIFIED REPORT.—The assessment required pursuant to subsection (a)(5) and the report required pursuant to subsection (b)(7) may be submitted in classified form if the Secretary of Homeland Security determines that such is appropriate.

SEC. 5. AVIATION SECURITY SCREENING AT PRECLEARANCE AIRPORTS.

(a) AVIATION SECURITY STANDARDS AGREEMENT.—Prior to the commencement of preclearance operations at an airport in a foreign country under this Act, the Administrator of the Transportation Security Administration shall enter into an agreement with the government of such foreign country that delineates and requires the adoption of aviation security screening standards that are determined by the Administrator to be comparable to those of the United States.

(b) AVIATION SECURITY RESCREENING.—If the Administrator of the Transportation Security Administration determines that the government of a foreign country has not maintained security standards and protocols comparable to those of the United States at airports at which preclearance operations have been established in accordance with an agreement entered into pursuant to subsection (a), the Administrator shall require the rescreening in the United States by the Transportation Security Administration of passengers and their property before such passengers may deplane into sterile areas of airports in the United States.

(c) SELECTEES.—Any passenger who is determined to be a selectee based on a check against a terrorist watch list and arrives on a flight originating from a foreign airport at which preclearance operations have been established in accordance with an agreement entered into pursuant to subsection (a), shall be required to undergo security rescreening by the Transportation Security Administration before being permitted to board a domestic flight in the United States.

SEC. 6. LOST AND STOLEN PASSPORTS.

The Secretary of Homeland Security may not enter into or renew an agreement with the government of a foreign country to establish or maintain U.S. Customs and Border Protection preclearance operations at an airport in such foreign country unless such government certifies—

(1) that it routinely submits information about lost and stolen passports of its citizens and nationals to INTERPOL's Stolen and Lost Travel Document database; or

(2) makes available to the United States Government such information through another comparable means of reporting.

SEC. 7. EFFECTIVE DATE.

Except for subsection (c) of section 4, this Act shall apply only to the establishment of preclearance operations in a foreign country in which no preclearance operations have been established as of the date of the enactment of this Act.

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PURPOSE AND SUMMARY

The purpose of H.R. 3488 is to set forth the conditions under which the Secretary of Homeland Security may establish preclearance facilities, conduct preclearance operations, and provide customs services outside the United States, and for other purposes.

BACKGROUND AND NEED FOR LEGISLATION

H.R. 3488 would authorize the Secretary of Homeland Security to establish new U.S. Customs and Border Protection (CBP) preclearance operations in foreign countries. The bill includes a series of benchmarks and timelines necessary to establish a preclearance operation and ensure transparency while the Department engages with foreign governments.

CBP's preclearance operations involve the inspection and examination of travelers and their merchandise by CBP officers in foreign locations prior to embarking to the United States. Once cleared on foreign soil, passengers do not have to clear customs upon arrival to the United States. Pre-inspection was first established in Toronto, Canada in 1952, and currently, CBP operates 16 preclearance facilities in Canada, the Bahamas, Bermuda, Aruba, Ireland, and, most recently, in the United Arab Emirates (UAE).

DHS began bilateral negotiations with the government of UAE in August 2012 to establish preclearance operations at Abu Dhabi International Airport. Negotiations were finalized on April 15, 2013, and preclearance operations commenced in late 2013. The CBP preclearance facility in Abu Dhabi was established under a reimbursable agreement between DHS and the UAE, under which

the UAE government reimburses CBP up to 85 percent for personnel and other costs.

In addition, the UAE government spent more than \$60 million building a customized facility, to CBP specifications, in anticipation of the commencement of preclearance operations. As part of the agreement with UAE, CBP officers were granted significant authorities, including the ability to carry firearms in the course of their duties. CBP has indicated that the establishment of preclearance in Abu Dhabi is almost completely security focused, due to the significant number of watch list hits and suspicious travel pattern information originating from the region.

Despite the security-focused rationale, this legislation was introduced as a result of significant concern that this agreement was executed without suitable Congressional notification, or an adequate security justification for establishing preclearance operations in Abu Dhabi. Many U.S. domestic airlines have argued that the establishment of a preclearance facility in Abu Dhabi, where no US domestic carrier currently fly, puts U.S. carriers at a significant competitive and economic disadvantage, as customs wait times are generally shorter at preclearance facilities compared to wait times in the United States.

As a result, this legislation is needed to strengthen Congressional and stakeholder notification, and apply security-related and other conditions to be met prior to any future expansion of preclearance operations.

HEARINGS

The Committee did not hold any legislative hearings on H.R. 3488, however, the Committee held an oversight hearing detailed below:

On April 4, 2014, the Subcommittee on Border and Maritime Security held a hearing entitled “Passport Fraud: An International Vulnerability.” The Subcommittee received testimony from Hon. Alan D. Bersin, Assistant Secretary of International Affairs and Chief Diplomatic Officer, U.S. Department of Homeland Security; Mr. John Wagner, Acting Deputy Assistant Commissioner, Office of Field Operations, Customs and Border Protection, U.S. Department of Homeland Security; Ms. Brenda S. Sprague, Deputy Assistant Secretary for Passport Services, Bureau of Consular Affairs, U.S. Department of State; and Hon. Shawn A. Bray, Director, INTERPOL Washington, U.S. National Central Bureau, U.S. Department of Justice.

COMMITTEE CONSIDERATION

The Committee met on June 11, 2014, to consider H.R. 3488, and ordered the measure to be reported to the House with a favorable recommendation, amended, by voice vote. The Committee took the following actions:

The following amendments were offered:

An Amendment in the Nature of a Substitute offered by MR. McCaul (#1); was AGREED TO, amended, by voice vote.

An Amendment by MR. MEEHAN to the Amendment in the Nature of a Substitute to H.R. 3488 (#1A); was AGREED TO by voice vote.

In section 4(a), redesignate paragraphs (7) through (10) as paragraphs (8) through (11), respectively.

In section 4(a), insert after paragraph (6) the following:

(7) Information on potential economic, competitive, and job impacts on United States air carriers associated with establishing such preclearance operations.;

An en bloc amendment to the Amendment in the Nature of a Substitute to H.R. 3488 offered by MR. HIGGINS (#1B); was AGREED TO by voice vote.

Consisting of the following amendments:

An amendment:

Page 4, line 13, insert “at an airport” before “in such foreign country”.

Page 8, line 10, insert “at an airport” before “in such”.

An amendment by MR. THOMPSON:

In section 5, add at the end a new subsection entitled “(c) Selectees.”

An amendment to the Amendment in the Nature of a Substitute to H.R. 3488 offered by MR. CHAFFETZ (#1C); was AGREED TO by voice vote.

Amend subsection (d) of section 4 to insert a new subsection entitled “(d) Remediation Plan.”

The Subcommittee on Border and Maritime Security met on May 20, 2014, to consider H.R. 3488, and ordered the measure to be forwarded to the Full Committee with a favorable recommendation, amended, by voice vote. The Subcommittee took the following actions:

The following amendments were offered:

An Amendment in the Nature of a Substitute offered by MRS. MILLER of Michigan (#1); was AGREED TO by voice vote.

An en bloc amendment to the Amendment in the Nature of a Substitute to H.R. 3488 offered by Ms. JACKSON LEE (#1A); was AGREED TO by voice vote.

In section 3, insert “and subject to section 5,” before “the Secretary”.

Redesignate section 5 as section 6.

Insert after section 4 a new section entitled “Sec. 5. Lost and Stolen Passports.”

In section 4(a), strike paragraph (4).

In section 4(a), add at the end new subsections 4 through 8.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the recorded votes on the motion to report legislation and amendments thereto.

No recorded votes were requested during consideration of H.R. 3488.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee has held oversight hearings and made findings that are reflected in this report.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee finds that H.R. 3488, would result in no new or increased budget authority, entitlement authority, or tax expenditures or revenues.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 30, 2014.

Hon. MICHAEL McCaul,
*Chairman, Committee on Homeland Security,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 3488, the Preclearance Authorization Act of 2014.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Mark Grabowicz.

Sincerely,

DOUGLAS W. ELMENDORF

Enclosure.

H.R. 3488—Preclearance Authorization Act of 2014

H.R. 3488 would authorize Customs and Border Protection (CBP) in the Department of Homeland Security to establish preclearance (inspection) stations in foreign countries. CBP currently operates preclearance facilities in about a dozen locations, mostly in Canada. The bill would require the agency to notify the Congress before establishing preclearance stations in countries that currently have none. H.R. 3488 also would specify policies and requirements to ensure that aviation security screening performed at foreign airports engaged in preclearance operations meet U.S. standards.

CBP anticipates opening new preclearance stations over the next several years and can do so under current law, so we estimate that implementing the bill would not significantly affect agency spending. CBO also expects that implementing the bill's requirements related to aviation security would not significantly affect federal costs. Enacting the legislation would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 3488 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contacts for this estimate are Mark Grabowicz and Megan Carroll. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, H.R. 3488 contains the following general performance goals and objectives, including outcome related goals and objectives authorized.

The general performance goals and objectives of H.R. 3488 is to require greater transparency and accountability from United States Customs and Border Protection (CBP) when they establish preclearance operations in foreign countries. This is accomplished through several Congressional notifications and certifications, as

well as requirements regarding transportation security screening standards. While the Committee believes that CBP's preclearance operations provide a strong homeland security benefit to the United States, the recent establishment of a preclearance operation in Abu Dhabi caused great concern among members of Congress for its lack of transparency and adverse competitive impacts it may have on U.S. air carriers.

DUPPLICATIVE FEDERAL PROGRAMS

The Committee finds that H.R. 3488 does not contain any provision that establishes or reauthorizes a program known to be duplicative of another Federal program.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

In compliance with rule XXI of the Rules of the House of Representatives, this bill, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of the rule XXI.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

PREEMPTION CLARIFICATION

In compliance with section 423 of the Congressional Budget Act of 1974, requiring the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt State, local, or Tribal law, the Committee finds that H.R. 3488 does not preempt any State, local, or Tribal law.

DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that H.R. 3488 would require no directed rule makings.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short Title.

This section provides that the bill may be cited as the "Preclearance Authorization Act of 2014".

Sec. 2. Definition.

The appropriate Congressional committees in this legislation include the Committee on Homeland Security and the Committee on Ways and Means of the House of Representatives and the Committee on Homeland Security and Governmental Affairs and the Committee on Finance of the Senate.

Sec. 3. Establishment of Preclearance Operations.

This section authorizes the Secretary of Homeland Security to establish preclearance operations in a foreign country.

The Committee believes the primary function of a newly established preclearance facility must be National security and that establishing such operations must be done in order to:

- Prevent terrorists, instruments of terrorism, and other security threats from entering the United States;
- Prevent inadmissible persons from entering the United States;
- Ensure merchandise destined for the United States complies with applicable laws;
- Ensure the prompt processing of persons eligible to travel to the United States; and
- Accomplish such other objectives as the Secretary determines necessary to protect the United States.

The Committee has a history of supporting preclearance operations as a means to ease travel facilitation, in locations such as Canada, Ireland and the Caribbean, and also recognizes preclearance operations can provide a significant homeland security benefit, especially after the terror attacks of September 11, 2001. The Committee continues to support Federal efforts to “push our borders out” to detect and deter threats before they reach our shores. However, the Committee was troubled that the Department initially failed to make a security case for the preclearance facility in Abu Dhabi, raising questions about the suitability of the location and other aspects of the process for selection. The Committee believes any future preclearance facilities should be established to meet the criteria required put forth in this Act.

Sec. 4. Notification and Certification to Congress.

(a) Notification.

This subsection requires the Secretary to notify Congress 180 days before entering into an agreement with a foreign government to establish a preclearance operation.

The Secretary would be required to provide:

- A copy of the proposed agreement specifying date, location, and funding sources;
- An impact assessment on legitimate trade and travel;
- A homeland security threat assessment at the proposed preclearance location;
- An impact assessment for Customs and Border Protection staffing at domestic ports of entry;
- Information on potential economic, competitive, and job impacts on United States air carriers associated with establishing such preclearance operations;
- Information on the anticipated homeland security benefits;
- Potential security vulnerabilities and mitigation plans;

- CBP's staffing model for such preclearance operations;
- Anticipated costs for the next five fiscal years;
- A copy of the agreement; and
- Other factors the Secretary determines to be necessary for Congress to assess the appropriateness of commencing such preclearance facility.

The Committee was troubled at the failure of the DHS Secretary to inform Congress about negotiations with the United Arab Emirates to establish preclearance operations at Abu Dhabi International Airport, as well as the lack of consideration of the potential negative impact establishing such a facility may have on U.S. air carriers. The Committee believes that Congress must be made aware of any proposed agreements and be given ample time to review the specifics about such agreements. In the future, the Committee expects the Secretary to provide Congress with advanced notification of any proposed agreement with a foreign country and provide clear and compelling justification for any future preclearance operation, as required under this Act.

(b) Certifications Relating to Preclearance Operations Established at Airports.

This section requires the Secretary to report to Congress 90 days before entering into an agreement with a foreign government to establish a preclearance operation.

The Secretary would be required to certify:

- The homeland security benefits of the preclearance operation;
- That at least one United States passenger carrier operates at that location and all United States passenger carriers have the same access as non-United States passenger carriers;
- There are no alternate options to preclearance that would be more effective;
- That foreign government screening procedures meet or exceed United States screening requirements;
- The Secretary has considered alternative options to preclearance operations;
- That new airport preclearance operations will not increase customs processing times at United States airports;
- A certification that CBP consulted interested parties and stakeholders before entering into such agreement; and
- A report detailing the basis for the certifications referred to above.

The Committee views this subsection as an additional layer of transparency to Congress before the Secretary enters into an agreement with a foreign country to establish preclearance operations.

DHS did not assess such items when establishing preclearance Operations in Abu Dhabi and the Committee believes the required certifications in this subsection by the Secretary will ensure any new preclearance operations will include articulable, tangible security benefits to push our borders out and prevent dangerous or inadmissible persons and goods from entering the United States.

The Committee expects that the report required in this subsection to clearly justify each component required under the certification and provide detailed analysis as to how the Department evaluated such requirement.

While the Committee strongly supports the concept of using preclearance facilities to push our borders out, the Committee believes the Department must also weigh the economic and competitive impact facilities may have on domestic U.S. carriers as well as impact on customs processing times domestically. When considering the establishment of such facilities, the Committee expects that any future agreements to establish preclearance operations thoroughly consider the economic and competitiveness impacts such an agreement will have, in addition important security benefits that may be realized.

(c) Modification of Existing Agreements.

This section requires the Secretary to notify Congress 30 days before substantially modifying an existing preclearance operation agreement with a foreign government. The Secretary must provide Congress a copy of proposed agreement and justification for the modification.

The Committee believes that substantial changes to a preclearance agreement should require a notification to Congress to allow Congress to provide more significant oversight over modifications to current agreements.

(d) Remediation Plan.

This subsection requires the Secretary of Homeland Security to provide to Congress a remediation plan to reduce customs processing times at the 25 United States airports with the highest volume of international travel, and implement such plan, which includes recommendations solicited from relevant stakeholders, if the average quarterly customs processing times of those 25 United States airports is significantly greater than the average quarterly customs processing times at a preclearance operation. If the Commissioner does not submit the remediation plan within 60 days, the Commissioner may not conduct any negotiations relating to preclearance operations at an airport, or commence preclearance operations.

The Committee realizes that long lines at peak hours are common place for larger airports like JFK, Chicago O'Hare and LAX. The Committee wants to ensure that as CBP reassigns veteran officers overseas to support preclearance operations, CBP takes every action possible to mitigate any negative impacts to domestic customs operations.

The Committee directs CBP to measure monthly wait times domestically and then compare those wait times against preclearance operations overseas. If wait times domestically significantly exceed those of new preclearance operations, the Committee requires CBP to submit a remediation plan to the Congress within 60 days to fix this disparity and reduce domestic wait times. While the Committee recognizes preclearance operations may provide a significant homeland security benefit, it also recognizes there is a tremendous trade and travel facilitation benefit. The Committee wants to ensure that such facilitation benefit does not come at the expense of domestic airports.

Additionally, the Committee expects, as a part of this remediation plan, that CBP consult with the appropriate stakeholders, such U.S. air carriers and airport authorities to take their suggestions into account.

The Committee also expects CBP to first use existing resources to reduce wait times, look at innovative ways to use technology, and streamline processes, and strongly discourages transferring an officer from a different port of entry, thereby causing wait times to increase at an other location.

(e) Classified Report.

This subsection allows the homeland security threat assessment in Section 4(a)(3) and the certification for establishing a new preclearance operation in Section 4(b)(8) to be classified, if appropriate.

Sec. 5. Aviation Security Screening at Preclearance Airports.

This section requires the aviation security screening standards at a preclearance location to be comparable to that required by the Transportation Security Administration (TSA). This section also requires rescreening of passengers and property by the TSA in the United States if, at any time, the aviation security screening standards at a preclearance location are not maintained to TSA standards or if an individual is designated as a selectee.

The Committee understands that while TSA has certain unpredictable measures in place at airports to deal with selectees arriving from preclearance airports, unnecessary vulnerabilities should not be created by taking a hands-off approach when higher-risk passengers arrive in the United States from a preclearance airport.

The Committee supports a risk-based approach to security, requiring higher-risk passengers to be screened by TSA prior to boarding a domestic flight, while also ensuring that TSA has flexibility in how it carries out such screening.

Sec. 6. Lost and Stolen Passports.

This section requires any foreign country where a preclearance operation agreement is to be established or renewed to routinely submit information to INTERPOL's Stolen and Lost Travel Document (SLTD) database and make that information available to the U.S. government.

Travel document security is a cornerstone of the United States' efforts to secure the homeland, and is integral to pushing our borders out. Document security vulnerabilities can be easily exploited by those who would do us harm therefore, the Committee believes the United States must have robust measures in place to deter and detect those traveling on stolen and fraudulent documents.

After the terror attacks of September 11, 2001, the international community, through INTERPOL, created the SLTD database to provide countries the mechanism to both send information to a central repository and check against that database to make sure no one could enter a country, or board a plane with a known lost or stolen passport.

In April 2014, the Subcommittee on Border and Maritime Security held a hearing on the issue of passport fraud where it was learned that, with only a few exceptions, only those nations that are members of the Visa Waiver Program regularly submit timely data to the SLTD. The Committee believes population of INTERPOL's SLTD database provides significant aviation and homeland security benefits to the United States, and therefore

should be a requirement for any country wishing to enter into preclearance agreement with the United States.

Sec. 7. Effective Date.

Except for Section 4(c), the requirements of this Act will only apply to the establishment of a preclearance operation in a foreign country where no preclearance operations have been established as of the date of enactment of this act.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

As reported, H.R. 3488 makes no changes to existing law.

COMMITTEE CORRESPONDENCE

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 CHRISTOPHER J. SHAY, NEW JERSEY
 JOSEPH CROWLEY, NEW YORK
 ALLISON SCHWARTZ, PENNSYLVANIA
 DANNY K. DAVIS, ILLINOIS
 LINDA SANCHEZ, CALIFORNIA

JANICE MAYS,
MINORITY CHIEF COUNSEL

June 26, 2014

The Honorable Michael McCaul
 Chairman, Committee on Homeland Security
 H2-176 Ford House Office Building
 Washington, D.C. 20515

Dear Chairman McCaul:

I am writing concerning H.R. 3488, the "Preclearance Authorization Act of 2014," which was favorably reported out of your Committee on June 11, 2014.

Given that numerous provisions in the bill are within the jurisdiction of the Committee on Ways and Means, I appreciate that you have addressed these provisions in response to the Committee's concerns. As a result, in order to expedite floor consideration of the bill, the Committee on Ways and Means will forego action on H.R. 3488. This is also being done with the understanding that it does not in any way prejudice the Committee with respect to the appointment of conferees or its jurisdictional prerogatives on this or similar legislation.

I would appreciate your response to this letter, confirming this understanding with respect to H.R. 3488, and would ask that a copy of our exchange of letters on this matter be included in the *Congressional Record* during Floor consideration.

Sincerely,

Dave Camp
Chairman

cc: The Honorable Eliot L. Engel
The Honorable Sander M. Levin
The Honorable John Boehner
The Honorable Eric Cantor
The Honorable Kevin McCarthy
The Honorable Nancy Pelosi
The Honorable Steny Hoyer
Mr. Thomas J. WickhamJr., Parliamentarian

MICHAEL T. McCaul, TEXAS
CHAIRMAN

BENNIE G. THOMPSON, MISSISSIPPI
RANKING MEMBER



One Hundred Thirteenth Congress
U.S. House of Representatives
Committee on Homeland Security
Washington, DC 20515

June 30, 2014

The Honorable Dave Camp
Chairman
Committee on Ways and Means
1102 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Camp:

Thank you for your letter regarding H.R. 3488, the “Preclearance Authorization Act of 2014.” I acknowledge that by forgoing action on this legislation, your Committee is not diminishing or altering its jurisdiction.

I also concur with you that forgoing action on this bill does not in any way prejudice the Committee on Ways and Means with respect to its jurisdictional prerogatives on this bill or similar legislation in the future. I would support your effort to seek appointment of an appropriate number of conferees to any House-Senate conference involving this legislation.

I will include our letters in the report accompanying H.R. 3488 and in the *Congressional Record* during consideration of this measure on the floor. I appreciate your cooperation regarding this legislation, and I look forward to working with the Committee on Ways and Means as the bill moves through the legislative process.

Sincerely,

Michael T. McCaul
Chairman

cc: The Honorable Bennie G. Thompson, Ranking Member, Committee on Homeland Security
The Honorable Sander Levin, Ranking Member, Committee on Ways and Means
The Honorable John Boehner, Speaker
The Honorable Eric Cantor, Majority Leader
Mr. Thomas J. Wickham Jr., Parliamentarian

